

Internal Revenue Service  
District Director

Date of This Notice:  
Letter Number 531  
Taxpayer Identifying Number:  
444-78-3758  
Form: 1040  
Person to Contact:  
90-Day Unit  
Telephone Number:  
(405) 297-4087

Lindsey K. Springer  
5147 South Harvard  
Suite 116  
Tulsa, Oklahoma 74135

CERTIFIED MAIL

TP "D"  
33 pages

Tax Year Ended:	December 31, 1993	December 31, 1994	December 31, 1995
Deficiency:			
Increase in tax	\$ 39,772	\$ 13,624	\$ 14,058
Penalties			
IRC 6651(a)(1)	\$ 9,943	\$ 3,406	\$ 3,515
IRC 6654	\$ 1,666	\$ 707	\$ 762

Dear Taxpayer:

--NOTICE OF DEFICIENCY--

We have determined that you owe additional tax or other amounts, or both as shown for the tax year(s) identified above. This letter is your NOTICE OF DEFICIENCY, as required by law. The enclosed statement shows how we figured the deficiency.

If you want to contest this determination in court before making any payment, you have 90 days from the date of this letter (150 days if addressed to you outside of the United States) to file a petition with the United States Tax Court for a redetermination of the deficiency. For a petition form, write to:

United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

Send the completed petition form, a copy of this letter, and all relevant statements or schedules that accompanied this letter to the Tax Court at the same address. The petition must be timely filed with the court within 90 days from the above mailing date (150 days if addressed to you outside of the United States). However, if the petition is filed after the 90 day (or 150 day) period, it is considered timely filed if the postmark date falls within the prescribed period and the envelope containing the petition is properly addressed with the correct postage.

The time for filing a petition with the Court (90 or 150 days as the case may be) is set by law and cannot be extended or suspended. Thus, contacting the

(continued next page)

55 North Robinson  
Oklahoma City, OK 73102

Service for more information or receiving other correspondence from the Service will not change the period for filing a petition with the Tax Court. The court cannot consider your case if the petition is filed late.

If this letter is addressed to both a husband and wife, and both want to petition the Tax Court, both must sign and file the petition or each must file a separate, signed petition. If more than one year is shown above, you only need to file one petition form showing the years you are contesting.

The Tax Court has a simplified procedure for small tax cases, when the dispute is for \$10,000 or less for any one tax year. You can get information about this procedure, as well as a petition form you can use, by writing to:

Clerk of the United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

Do this promptly if you intend to file a petition with the Tax Court.

You may represent yourself before the Tax Court, or you may be represented by anyone admitted to practice before the court.

If you decide not to file a petition with the Tax Court, please sign and return the enclosed waiver form. This will permit us to assess the deficiency quickly and can help limit the accumulation of interest. The enclosed envelope is for your convenience.

If you decide not to sign and return the waiver and you do not file a petition with the Tax Court within the time limit, the law requires us to assess and bill you for the deficiency after 90 days from the above mailing date of this letter (150 days if this letter is addressed to you outside the United States).

If you have any questions about this letter, please write to the person whose name and address are shown on this letter. If you write, please attach this letter to help us identify your account. Keep the copy for your records. Also, please include your telephone number and the most convenient time to call, so we can contact you if we need additional information.

If you prefer, you may call the IRS contact person at the telephone number shown above. If this number is outside your local calling area, there will be a

(continued next page)

long distance charge to you. You may call the IRS telephone number listed in your directory. An IRS employee there may be able to help you, but the contact person at the address shown on this letter is most familiar with your case.

Thank you for your cooperation.

Sincerely,

Commissioner  
By

*Norman Botsford*  
cls

Norman Botsford  
Chief, Examination Division

Enclosures:  
Waiver  
Envelope

Name, SSN or EIN, and Address of Taxpayer(s)

Lindsey K. Springer  
 5147 South Harvard  
 Suite 116  
 Tulsa, Oklahoma 74135

444-78-3758

Kind of Tax | ☐ Copy to Authorized Representative

INCOME

DEFICIENCY - Increase in Tax and Penalties

Tax Year Ended: December 31, 1993    December 31, 1994    December 31, 1995

Deficiency:

Increase in tax	\$	39,772	\$	13,624	\$	14,058
Penalties						
IRC 6651(a)(1)	\$	9,943	\$	3,406	\$	3,515
IRC 6654	\$	1,666	\$	707	\$	762

See the attached explanation for the above deficiencies

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.

Your Signature	Date signed
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Spouse's Signature, If A Joint Return Was Filed	Date signed
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Taxpayer's Representative Sign Here	Date signed
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Corporate Name:

Corporate Officers Sign Below

Signature	Title	Date signed
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Signature	Title	Date signed
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(For instructions, see next page)

If you agree, please sign one copy and return it.

Keep the other copy for your records.

# Instructions for Form 4089

## Note:

If you consent to the assessment of the amounts shown in this waiver, please sign and return it in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.

If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

## Who Must Sign

If this waiver is for any year(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.

For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.

For a person acting in a fiduciary capacity (executor, administrator, trustee) file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.

For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

## CONTINUATION SHEET

Lindsey K. Springer

Page

TIN: 444-78-3758

## Interest on Deficiencies

Interest on deficiencies will accrue from the due date of the return until paid.

## Failure to File Penalty IRC section 6651(a)(1) and 6601(e)(2)

Since your income tax return(s) for the taxable year(s) ended December 31, 1993, December 31, 1994 and December 31, 1995 were not filed within the time prescribed by law, and you have not shown that such failure to timely file your return(s) was due to reasonable cause, a penalty of five (5) percent is added to the tax for each month or part of a month (but not to exceed a total of twenty-five (25) percent) for which your return was late. If your return was filed after December 31, 1982 and was more than 60 days late, the minimum penalty is the lesser of \$100 or the tax due. In addition, interest is figured on this penalty from the later of the due date of the return (including any extensions) or July 18, 1984.

## Estimated Tax Penalty IRC section 6654

Since you underpaid your estimated tax for the taxable year(s) ended December 31, 1993, December 31, 1994 and December 31, 1995 the addition to the tax provided by section 6654 of the Internal Revenue Code is asserted.

Name and Address of Taxpayer SPRINGER, LINDSEY K.		SS or EI Number: 444-78-3758		Return Form No. 1040
		Person with whom examination changes were discussed	Name and Title	
1. Adjustments to Income		Tax Year End 12/31/93	Tax Year End 12/31/94	Tax Year End 12/31/95
A. CAPITAL GAIN OR LOSS		\$ 85,700.00	\$	\$
B. EXEMPTIONS		(893.00)	(2,450.00)	(2,500.00)
C. INCOME		36,972.00	44,001.00	45,351.00
D. SE AGI ADJUSTMENT		(2,612.00)	(3,109.00)	(3,204.00)
E. STANDARD DEDUCTION		(3,100.00)	(3,175.00)	(3,275.00)
F.				
G.				
H.				
I.				
J.				
K.				
L.				
M.				
N.				
O.				
P.				
Q.				
R.				
S.				
2. Total Adjustments		116,067.00	35,267.00	36,372.00
3. Taxable Income Per Return or as Previously Adjusted		0.00	0.00	0.00
4. Corrected Taxable Income		116,067.00	35,267.00	36,372.00
Tax Method		TAX RATE	TAX TABLE	TAX TABLE
Filing Status		MARRIED SEPARATE	MARRIED SEPARATE	MARRIED SEPARATE
5. Tax		34,548.00	7,407.00	7,650.00
6. Additional Taxes				
7. Corrected Tax Liability		34,548.00	7,407.00	7,650.00
8. Less Credits				
A.				
B.				
C.				
D.				
9. Balance (Line 7 less total of lines 8A through 8D)		34,548.00	7,407.00	7,650.00
0. Plus		5,224.00	6,217.00	6,408.00
A. SELF EMPLOYMENT TAX				
B.				
C.				
D.				
1. Total Corrected Tax Liability (Line 9 + lines 10A to 10D)		39,772.00	13,624.00	14,058.00
2. Total Tax Shown on Return or as Previously Adjusted		0.00	0.00	0.00
3. Adjustments to				
A. Special Fuels Credit				
B.				
4. Deficiency - Increase in Tax or (Overassessment - Decrease in tax) (Line 11 less Line 12 adjusted by Line 13)		39,772.00	13,624.00	14,058.00
5. Adjustments to Prepayment Credits				
6. Balance Due or Overpayment (Line 14 Adjusted by Line 15) (Excluding interest and penalties)		\$ 39,772.00	\$ 13,624.00	\$ 14,058.00

The Internal Revenue Service has agreements with State tax agencies under which information about Federal tax, including increases or decreases, is exchanged with the States. If this change affects the amount of your State income tax, you should file the State return.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income and do not pay the required tax. The IRS may order backup withholding at 31 percent after four notices have been issued to you over a 120-day period and the tax has been assessed and remains unpaid.

Return Form No. 1040

Penalties		Tax Year End 12/31/93	Tax Year End 12/31/94	Tax Year End 12/31/95
A. DELINQUENCY		\$ 9,943.00	\$ 3,406.00	\$ 3,514.50
B. ESTIMATED TAX		1,666.42	707.00	762.26
C.				
D.				
E.				
F.				
G.				
H.				
I.				
J.				
K.				
L.				
M.				
N.				
18. Total Penalties		11,609.42	4,113.00	4,276.76
19. Underpayment attributable to negligence: (1981 - 1987) An Addition to the tax of 50 percent of the interest due on this underpayment will accrue until paid or assessed.				
20. Underpayment attributable to fraud: (1982 - 1987) An addition to the tax of 50 percent of the interest due on this underpayment will accrue until paid or assessed.				
21. Underpayment attributable to Tax Motivated Transactions: TMT Interest will accrue and be assessed at 120 percent of the underpayment rate in accordance with IRC 6621(c).				
Summary of Taxes, Penalties and Interest:				
A. Balance due or Overpayment of Taxes (line 16, page 1)		39,772.00	13,624.00	14,058.00
B. Penalties (line 18, page 2) (computed to 09/06/96)		11,609.42	4,113.00	4,276.76
C. Interest (IRC 6601) (computed to 09/06/96)				
D. TMT Interest (computed to 09/06/96 on TMT underpayment)				
E. Amount due or refund (sum of lines A. B. C. and D.)		51,381.42	17,737.00	18,334.76

Other Information:

Examiner's Signature

District

Arkansas-Oklahoma

Date \_\_\_\_\_

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## 9312 SCHEDULE D - CAPITAL GAINS AND LOSSES

1. Short-term capital gain or loss	85,700.00	
2. Short-term capital loss carryover	0.00	
3. Net Short-term Gain or Loss (Add line 1 and 2)	85,700.00	
4. Long-term capital gain or loss	0.00	
5. Long-term capital loss carryover	0.00	
6. Net long-term Gain or Loss (Add line 4 and 5)		0.00
7. Sum of lines 3 and 6 - Net Capital Gain or Loss	85,700.00	
8. Capital loss limitation		0.00
9. Capital Gain or Loss - As Corrected	85,700.00	
10. Capital Gain or Loss - Per Return		0.00
11. Line 9 less line 10 - Adjustment to Income	85,700.00	

## CORRECTED CARRYOVER

12. Short-term Carryover to Subsequent Year	0.00
13. Long-term Carryover to Subsequent Year	0.00

## COMPUTATION OF ALTERNATIVE TAX

14. Taxable Income	
15. Lesser of Long-Term Gain or Net Capital Gain	116,067.00
16. Line 14 less line 15	0.00
17. Alternative amount based on filing status	0.00
18. Greater of line 16 or line 17	0.00
19. Line 14 less line 18	0.00
20. Tax on line 18 using Rate Schedule	0.00
21. Line 19 multiplied by 28%	0.00
22. Line 21 plus line 20 - Alternative Capital Gain Tax	0.00

## 9312 SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary

LINDSEY K SPRINGER

444-78-3758

1.	Self-employment income		36,972.00
2.	Multiply line 1 by 0.9235		34,143.64
3.	Farm Optional Method Income		0.00
4.	Non Farm Optional Method Income		0.00
5.	Earnings subject to self-employment tax		34,143.64
6.	Maximum earnings subject to social security		57,600.00
7.	Social Security wages and tips from W-2	0.00	
8.	Unreported tips from Form 4137	0.00	
9.	Sum of lines 7 and 8		0.00
10.	Line 6 less line 9		57,600.00
11.	Multiply the smaller of line 5 or 10 by 0.1240		4,233.81
12.	Maximum amount of wages and self-employment income subject to Medicare Tax		135,000.00
13.	Total Medicare wages and tips	0.00	
14.	Unreported tips subject to Medicare Tax	0.00	
15.	Sum of lines 13 and 14		0.00
16.	Subtract line 15 from line 12		135,000.00
17.	Multiply the smaller of line 5 or 16 by 0.0290		990.17
18.	Self-Employment Tax (sum of lines 11 and 17)		5,223.98

Secondary

1.	Self-employment income		0.00
2.	Multiply line 1 by 0.9235		0.00
3.	Farm Optional Method Income		0.00
4.	Non Farm Optional Method Income		0.00
5.	Earnings subject to self-employment tax		0.00
6.	Maximum earnings subject to social security		57,600.00
7.	Social Security wages and tips from W-2	0.00	
8.	Unreported tips from Form 4137	0.00	
9.	Sum of lines 7 and 8		0.00
10.	Line 6 less line 9		0.00
11.	Multiply the smaller of line 5 or 10 by 0.1240		0.00
12.	Maximum amount of wages and self-employment income subject to Medicare Tax		135,000.00
13.	Total Medicare wages and tips	0.00	
14.	Unreported tips subject to Medicare Tax	0.00	
15.	Sum of lines 13 and 14		0.00
16.	Subtract line 15 from line 12		0.00
17.	Multiply the smaller of line 5 or 16 by 0.0290		0.00
18.	Self-Employment Tax (sum of lines 11 and 17)		0.00

## EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and you have not shown that such failure to timely file your return was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a) of the Internal Revenue Code.

## 9312 - DELINQUENCY PENALTY

1. Delinquency penalty abated		
2. Date return due	04/15/94	
3. Date return filed	02/16/96	
4. Failure to File penalty rate	0.250	
5. Failure to Pay penalty rate	0.000	
6. Total corrected tax, Form 4549, line 11		39,772.00
7. Payments on or prior to due date of return		
8. Line 6 less line 7		39,772.00
9. Less amount attributable to Fraud		
10. Line 8 less line 9		39,772.00
11. Failure to File Penalty - line 10 multiplied by line 4		9,943.00
12. Minimum penalty if over 60 days delinquent		100.00
13. Failure to File Penalty - Greater of line 11 or line 12		9,943.00
14. Previously assessed Failure to File Penalty		
15. Net Failure to File Penalty - line 13 less line 14		9,943.00
16. Failure to Pay Penalty - line 10 multiplied by line 5		
17. Previously assessed Failure to Pay Penalty		
18. Net Failure to Pay Penalty - line 16 less line 17		
19. Total Delinquency Penalty - Sum of line 15 and 18		9,943.00

9312 - EXPLANATION OF THE ESTIMATED TAX PENALTY

Since you did not pay sufficient estimated tax, addition to the tax is charged as shown below, in accordance with Section 6654(a) of the Internal Revenue Code.

1. Total corrected tax liability, Form 4549, line 11					39,772.00
2. Withholding taxes					0.00
3. Line 1 less line 2 (if less than \$500, estimated penalty does not apply)					39,772.00
4. 90% of line 1					35,794.80
5. Prior year tax liability					0.00
6. The smaller of line 4 or 5 (as adjusted)					35,794.80
7. Payment					
Due Date	Apr 15, 1993	Jun 15, 1993	Sep 15, 1993	Jan 15, 1994	
8. Payment Required	8,948.70	8,948.70	8,948.70	8,948.70	
9. Payments and Credits	0.00	0.00	0.00	0.00	
10. Overpayment from Line 16		0.00	0.00	0.00	
11. Total of Lines 9 and 10		0.00	0.00	0.00	
12. Previous Qtr Underpayment		8,948.70	17,897.40	26,846.10	
13. 11 minus 12	0.00	0.00	0.00	0.00	
14. Remaining Underpayment		8,948.70	17,897.40		
15. Underpayment	8,948.70	8,948.70	8,948.70	8,948.70	
16. Overpayment	0.00	0.00	0.00	0.00	

CALCULATION OF QUARTERLY PENALTIES ATTACHED

17. Penalty	626.41	521.72	363.83	154.46
18. Previously Assessed Penalty				0.00
19. Estimated Tax Penalty				1,666.42

## 9312 - CALCULATION OF THE ESTIMATED TAX PENALTY

1st Quarter Underpayment: 8,948.70

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
8,948.70	04/15/93-04/15/94		260	7%	446.21
8,948.70	04/15/93-04/15/94		105	7%	180.20
1st Quarter Total \$					626.41

2nd Quarter Underpayment: 8,948.70

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
8,948.70	06/15/93-04/15/94		199	7%	341.52
8,948.70	06/15/93-04/15/94		105	7%	180.20
2nd Quarter Total \$					521.72

3rd Quarter Underpayment: 8,948.70

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
8,948.70	09/15/93-04/15/94		107	7%	183.63
8,948.70	09/15/93-04/15/94		105	7%	180.20
3rd Quarter Total \$					363.83

4th Quarter Underpayment: 8,948.70

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
8,948.70	01/15/94-04/15/94		090	7%	154.46
4th Quarter Total \$					154.46

Total Estimated Tax Penalty \$ 1,666.42

Name of Taxpayer: SPRINGER, LINDSEY K  
Identification Number: 40-78-3758

TOTAL

Schedule 6

3.95.01

9312 - SUMMARY OF PROPOSED PENALTIES

DESCRIPTION

AMOUNT

DELINQUENCY PENALTY

9,943.00

ESTIMATED TAX PENALTY

1,666.42

TOTAL PENALTIES

11,609.42

Name Of Taxpayer: SPRINGER, LINDSEY K  
Identification Number: -78-3758

TOTAL

Schedule 7

3.95.01

9312 EXEMPTION WORKSHEET

1. Multiply \$2,350.00 by the total number of exemptions claimed on Form 1040, line 6e	2,350.00
2. Adjusted Gross Income (Form 1040, line 32)	120,060.00
3. Limitation based on Filing Status	81,350.00
4. Subtract line 3 from line 2	38,710.00
5. Divide line 4 by \$2,500 (\$1,250 if married filing separate)	31.00
6. Multiply line 5 by 2% and enter the result as a decimal	0.62
7. Multiply line 1 by line 6	1,457.00
8. Deduction for exemptions (Subtract line 7 from line 1)	893.00

9412 SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
LINDSEY K SPRINGER

444-78-3758

1. Self-employment income	44,001.00
2. Multiply line 1 by 0.9235	40,634.92
3. Farm Optional Method Income	0.00
4. Non Farm Optional Method Income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	40,634.92
6. Maximum earnings subject to social security	60,600.00
7. Social Security wages and tips from W-2	0.00
8. Unreported tips from Form 4137	0.00
9. Sum of lines 7 and 8	0.00
10. Line 6 less line 9	60,600.00
11. Multiply the smaller of line 5 or 10 by 0.1240	5,038.73
12. Multiply line 5 by 0.0290	1,178.41
13. Self-Employment Tax (sum of lines 11 and 12)	6,217.14

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 0.9235	0.00
3. Farm Optional Method Income	0.00
4. Non Farm Optional Method Income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	60,600.00
7. Social Security wages and tips from W-2	0.00
8. Unreported tips from Form 4137	0.00
9. Sum of lines 7 and 8	0.00
10. Line 6 less line 9	0.00
11. Multiply the smaller of line 5 or 10 by 0.1240	0.00
12. Multiply line 5 by 0.0290	0.00
13. Self-Employment Tax (sum of lines 11 and 12)	0.00



EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and you have not shown that such failure to timely file your return was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a) of the Internal Revenue Code.

9412 - DELINQUENCY PENALTY

1. Delinquency penalty abated	
2. Date return due	04/15/95
3. Date return filed	02/16/96
4. Failure to File penalty rate	0.250
5. Failure to Pay penalty rate	0.000
6. Total corrected tax, Form 4549, line 11	13,624.00
7. Payments on or prior to due date of return	
8. Line 6 less line 7	13,624.00
9. Less amount attributable to Fraud	
10. Line 8 less line 9	13,624.00
11. Failure to File Penalty - line 10 multiplied by line 4	3,406.00
12. Minimum penalty if over 60 days delinquent	100.00
13. Failure to File Penalty - Greater of line 11 or line 12	3,406.00
14. Previously assessed Failure to File Penalty	
15. Net Failure to File Penalty - line 13 less line 14	3,406.00
16. Failure to Pay Penalty - line 10 multiplied by line 5	
17. Previously assessed Failure to Pay Penalty	
18. Net Failure to Pay Penalty - line 16 less line 17	
19. Total Delinquency Penalty - Sum of line 15 and 18	3,406.00

Name of taxpayer: SPRINGER, LINDSEY K  
Identification Number: 4-78-3758

TOTAL

Schedule 10

3.95.01

9412 - EXPLANATION OF THE ESTIMATED TAX PENALTY

Since you did not pay sufficient estimated tax, addition to the tax is charged as shown below, in accordance with Section 6654(a) of the Internal Revenue Code.

1. Total corrected tax liability, Form 4549, line 11					13,624.00
2. Withholding taxes					0.00
3. Line 1 less line 2 (if less than \$500, estimated penalty does not apply)					13,624.00
4. 90% of line 1					12,261.60
5. Prior year tax liability					0.00
6. The smaller of line 4 or 5 (as adjusted)					12,261.60
7. Payment					
Due Date	Apr 15, 1994	Jun 15, 1994	Sep 15, 1994	Jan 15, 1995	
8. Payment Required	3,065.40	3,065.40	3,065.40	3,065.40	
9. Payments and Credits	0.00	0.00	0.00	0.00	
10. Overpayment from Line 16		0.00	0.00	0.00	
11. Total of Lines 9 and 10		0.00	0.00	0.00	
12. Previous Qtr Underpayment		3,065.40	6,130.80	9,196.20	
13. 11 minus 12	0.00	0.00	0.00	0.00	
14. Remaining Underpayment		3,065.40	6,130.80		
15. Underpayment	3,065.40	3,065.40	3,065.40	3,065.40	
16. Overpayment	0.00	0.00	0.00	0.00	
CALCULATION OF QUARTERLY PENALTIES ATTACHED					
17. Penalty	256.66	220.80	160.25	69.29	
18. Previously Assessed Penalty				0.00	
19. Estimated Tax Penalty				707.00	

## 9412 - CALCULATION OF THE ESTIMATED TAX PENALTY

1st Quarter Underpayment: 3,065.40

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,065.40	04/15/94-04/15/95		076	7%	44.68
3,065.40	04/15/94-04/15/95		092	8%	61.81
3,065.40	04/15/94-04/15/95		092	9%	69.54
3,065.40	04/15/94-04/15/95		090	9%	68.03
3,065.40	04/15/94-04/15/95		015	10%	12.60
1st Quarter Total \$					256.66

2nd Quarter Underpayment: 3,065.40

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,065.40	06/15/94-04/15/95		015	7%	8.82
3,065.40	06/15/94-04/15/95		092	8%	61.81
3,065.40	06/15/94-04/15/95		092	9%	69.54
3,065.40	06/15/94-04/15/95		090	9%	68.03
3,065.40	06/15/94-04/15/95		015	10%	12.60
2nd Quarter Total \$					220.80

3rd Quarter Underpayment: 3,065.40

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,065.40	09/15/94-04/15/95		015	8%	10.08
3,065.40	09/15/94-04/15/95		092	9%	69.54
3,065.40	09/15/94-04/15/95		090	9%	68.03
3,065.40	09/15/94-04/15/95		015	10%	12.60
3rd Quarter Total \$					160.25

4th Quarter Underpayment: 3,065.40

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,065.40	01/15/95-04/15/95		075	9%	56.69
3,065.40	01/15/95-04/15/95		015	10%	12.60
4th Quarter Total \$					69.29

Total Estimated Tax Penalty \$ 707.00

Name of Taxpayer: SPRINGER, LINDSEY K  
Identification Number: 45-78-3758

TOTAL

Schedule 12

3.95.01

9412 - SUMMARY OF PROPOSED PENALTIES

DESCRIPTION	AMOUNT
DELINQUENCY PENALTY	3,406.00
ESTIMATED TAX PENALTY	707.00
 TOTAL PENALTIES	 4,113.00

9512 SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary  
LINDSEY K SPRINGER

444-78-3758

1. Self-employment income	45,351.00
2. Multiply line 1 by 0.9235	41,881.65
3. Farm Optional Method Income	0.00
4. Non Farm Optional Method Income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	41,881.65
6. Maximum earnings subject to social security	61,200.00
7. Social Security wages and tips from W-2	0.00
8. Unreported tips from Form 4137	0.00
9. Sum of lines 7 and 8	0.00
10. Line 6 less line 9	61,200.00
11. Multiply the smaller of line 5 or 10 by 0.1240	5,193.32
12. Multiply line 5 by 0.0290	1,214.57
13. Self-Employment Tax (sum of lines 11 and 12)	6,407.89

Secondary

1. Self-employment income	0.00
2. Multiply line 1 by 0.9235	0.00
3. Farm Optional Method Income	0.00
4. Non Farm Optional Method Income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	61,200.00
7. Social Security wages and tips from W-2	0.00
8. Unreported tips from Form 4137	0.00
9. Sum of lines 7 and 8	0.00
10. Line 6 less line 9	0.00
11. Multiply the smaller of line 5 or 10 by 0.1240	0.00
12. Multiply line 5 by 0.0290	0.00
13. Self-Employment Tax (sum of lines 11 and 12)	0.00

EXPLANATION OF THE DELINQUENCY PENALTY

Since your income tax return was not filed within the time limit prescribed by law and you have not shown that such failure to timely file your return was due to reasonable cause, an addition to the tax is charged as shown below, in accordance with Section 6651(a) of the Internal Revenue Code.

9512 - DELINQUENCY PENALTY

1. Delinquency penalty abated		
2. Date return due	04/15/96	
3. Date return filed	10/15/96	
4. Failure to File penalty rate	0.250	
5. Failure to Pay penalty rate	0.000	
6. Total corrected tax, Form 4549, line 11		14,058.00
7. Payments on or prior to due date of return		
8. Line 6 less line 7		14,058.00
9. Less amount attributable to Fraud		
10. Line 8 less line 9		14,058.00
11. Failure to File Penalty - line 10 multiplied by line 4		3,514.50
12. Minimum penalty if over 60 days delinquent		100.00
13. Failure to File Penalty - Greater of line 11 or line 12		3,514.50
14. Previously assessed Failure to File Penalty		
15. Net Failure to File Penalty - line 13 less line 14		3,514.50
16. Failure to Pay Penalty - line 10 multiplied by line 5		
17. Previously assessed Failure to Pay Penalty		
18. Net Failure to Pay Penalty - line 16 less line 17		
19. Total Delinquency Penalty - Sum of line 15 and 18		3,514.50

9512 - EXPLANATION OF THE ESTIMATED TAX PENALTY

Since you did not pay sufficient estimated tax, addition to the tax is charged as shown below, in accordance with Section 6654(a) of the Internal Revenue Code.

1. Total corrected tax liability, Form 4549, line 11					14,058.00
2. Withholding taxes					0.00
3. Line 1 less line 2 (if less than \$500, estimated penalty does not apply)					14,058.00
4. 90% of line 1					12,652.20
5. Prior year tax liability					0.00
6. The smaller of line 4 or 5 (as adjusted)					12,652.20
7. Payment					
Due Date	Apr 15, 1995	Jun 15, 1995	Sep 15, 1995	Jan 15, 1996	
8. Payment Required	3,163.05	3,163.05	3,163.05	3,163.05	
9. Payments and Credits	0.00	0.00	0.00	0.00	
10. Overpayment from Line 16		0.00	0.00	0.00	
11. Total of Lines 9 and 10		0.00	0.00	0.00	
12. Previous Qtr Underpayment		3,163.05	6,326.10	9,489.15	
13. 11 minus 12	0.00	0.00	0.00	0.00	
14. Remaining Underpayment		3,163.05	6,326.10		
15. Underpayment	3,163.05	3,163.05	3,163.05	3,163.05	
16. Overpayment	0.00	0.00	0.00	0.00	

CALCULATION OF QUARTERLY PENALTIES ATTACHED

17. Penalty	290.52	237.66	164.60	69.48
18. Previously Assessed Penalty				0.00
19. Estimated Tax Penalty				762.26

Name of Taxpayer: SPRINGER, LINDSEY K  
Identification Number: -78-3758

TOTAL Schedule 16

3.95.01

9512 - CALCULATION OF THE ESTIMATED TAX PENALTY

1st Quarter Underpayment: 3,163.05

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,163.05	04/15/95-04/15/96		076	10%	65.86
3,163.05	04/15/95-04/15/96		184	9%	143.51
3,163.05	04/15/95-04/15/96		091	9%	70.78
3,163.05	04/15/95-04/15/96		015	8%	10.37
1st Quarter Total \$					290.52

2nd Quarter Underpayment: 3,163.05

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,163.05	06/15/95-04/15/96		015	10%	13.00
3,163.05	06/15/95-04/15/96		184	9%	143.51
3,163.05	06/15/95-04/15/96		091	9%	70.78
3,163.05	06/15/95-04/15/96		015	8%	10.37
2nd Quarter Total \$					237.66

3rd Quarter Underpayment: 3,163.05

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,163.05	09/15/95-04/15/96		107	9%	83.45
3,163.05	09/15/95-04/15/96		091	9%	70.78
3,163.05	09/15/95-04/15/96		015	8%	10.37
3rd Quarter Total \$					164.60

4th Quarter Underpayment: 3,163.05

Payment Amt	Date Due	Payment Applied	No. of Days	Int. Rate	Penalty
3,163.05	01/15/96-04/15/96		076	9%	59.11
3,163.05	01/15/96-04/15/96		015	8%	10.37
4th Quarter Total \$					69.48

Total Estimated Tax Penalty \$ 762.26



Name of taxpayer: SPRINGER, LINDSEY K  
Identification Number: 78-3758

TOTAL

Schedule 17

3.95.01

9512 - SUMMARY OF PROPOSED PENALTIES

DESCRIPTION	AMOUNT
DELINQUENCY PENALTY	3,514.50
ESTIMATED TAX PENALTY	762.26
TOTAL PENALTIES	4,276.76

Name of Taxpayer: Lindsey K. Springer  
ID Number: 444-78-3758

Schedule (A)

=====

Adjustment: Capital Gain or Loss

	1993
PER RETURN:	0
CORRECTED:	85,700
ADJUSTMENT:	85,700

Explanation

It is determined that you received capital gain income on the sale of real estate in the amount of \$85,700 in 1993 from Terry G. Gartside Company, Incorporated which you neglected to report for taxation by failing to file a federal income tax return for that year. Accordingly, your 1993 taxable income is increased \$85,700.

Name of Taxpayer: Lindsey K. Springer

Schedule (B)

ID Number: 444-78-3758

Adjustment: Exemptions

	1993	1994	1995
PER RETURN:	0	0	0
CORRECTED:	893	2,450	2,500
ADJUSTMENT:	-893	-2,450	-2,500

Explanation

It is determined that you are allowed a personal exemption in the amount of \$893 for 1993, \$2,450 for 1994, and \$2,500 for 1995. Accordingly, your 1993 taxable income is decreased \$893, your 1994 taxable income is decreased \$2,450, and your 1995 taxable income is decreased \$2,500.

When adjusted gross income exceeds \$81,350 in 1993 for taxpayers using the filing status of married filing separately, the deduction for personal exemptions is phased out as adjusted gross income is increased. See Schedule 7 of this notice for the computation of the limitation of the deduction for exemptions for 1993.

1993 Adjusted Gross Income:

Capital Gain	\$ 85,700
Income	36,972
Self-Employment Tax Deduction	- 2,612
	-----
Adjusted Gross Income	\$120,060
	=====

Name of Taxpayer: Lindsey K. Springer  
ID Number: 444-78-3758

Schedule (C)

Adjustment: Income

	1993	1994	1995
PER RETURN:	0	0	0
CORRECTED:	\$36,972	\$44,001	\$45,351
ADJUSTMENT:	\$36,972	\$44,001	\$45,351

Explanation

It is determined that you received taxable income in the amount of \$36,972 in 1993, \$44,001 in 1994, and \$45,351 in 1995 which you neglected to report for taxation by failing to file a federal income tax return for the years stated. In the absence of adequate records, we have computed your unreported taxable income using reasonable estimates and Bureau of Labor statistics, as shown below.

Accordingly, your 1993 taxable income is increased \$36,972, your 1994 taxable income is increased \$44,001, and your 1995 taxable income is increased \$45,351.

1993	1994	1995
----	----	----

Income per Bureau of Labor statistics,  
high bracket, urban United States, five  
persons (husband under age thirty-five,  
wife, and three children under age six)

\$36,972  
=====

Income per Bureau of Labor statistics,  
high bracket, urban United States, six  
persons (husband under age thirty-five,  
wife, and four children under age six)

\$44,001	\$45,351
=====	=====

Name of Taxpayer: Lindsey K. Springer  
ID Number: 444-78-3758

Schedule (D)

Adjustment: Self-Employment Tax Deduction

	1993	1994	1995
PER RETURN:	0	0	0
CORRECTED:	2,612	3,109	3,204
ADJUSTMENT:	-2,612	-3,109	-3,204

Explanation

It is determined that you are allowed a self-employment tax deduction in the amount of \$2,612 for 1993, \$3,109 for 1994, and \$3,204 for 1995.

Accordingly, your 1993 taxable income is decreased \$2,612, your 1994 taxable income is decreased \$3,109, and your 1995 taxable income is decreased \$3,204.

Name of Taxpayer: Lindsey K. Springer  
ID Number: 444-78-3758

Schedule (E)

=====  
Adjustment: Standard Deduction

	1993	1994	1995
PER RETURN:	0	0	0
CORRECTED:	3,100	3,175	3,275
ADJUSTMENT:	-3,100	-3,175	-3,275

Explanation

Based on the filing status of married filing separate, you are allowed the standard deduction in the amount of \$3,100 for 1993, \$3,175 for 1994, and \$3,275 for 1995.

Accordingly, your 1993 taxable income is decreased \$3,100, your 1994 taxable income is decreased \$3,175, and your 1995 taxable income is decreased \$3,275.

Name of Taxpayer: Lindsey K. Springer  
ID Number: 444-78-3758

Schedule (F)

Adjustment: Self-Employment Tax

	1993	1994	1995
PER RETURN:	0	0	0
CORRECTED:	5,224	6,217	6,408
ADJUSTMENT:	-5,224	-6,217	-6,408

Explanation

It is determined that your earnings are subject to self-employment tax. Accordingly, your 1993 income tax liability is increased \$5,224, your 1994 income tax liability is increased \$6,217, and your 1995 income tax liability is increased \$6,408.

See Schedules 2, 8, and 13 of this notice for the computation of self-employment tax for 1993, 1994 and 1995, respectively.

	1993	1994	1995
Self-Employment Income	\$36,972	\$44,001	\$45,351
	=====	=====	=====

See Schedule C of this notice.

=====

### How to Pay Your Taxes

If you agree with our examination, pay now by sending a check or money order and your signed waiver, Form 4089.

Why is it to your advantage to pay now

- \* - Decrease future interest charges
- \* - Prevents assessment of failure to pay penalty
  - Reduces payment of nondeductible interest
  - Eliminates further contact with us

If you agree with our examination and cannot pay now

(1) Can you pay the full amount within 120 days?

- If yes, send in the signed waiver, Form 4089, now and submit the balance due when you receive a bill.
- If no, you may be eligible for a payment plan.

(2) If you would like us to consider an installment agreement, submit your written request or check the box below and return this flyer with your signed waiver, Form 4089.

☐ I would like to be considered for an installment agreement.

You will be charged a \$43 fee if your request is approved. DO NOT include the fee with this flyer. We will send you a bill for the fee when we approve your request.

Please provide the following information so we can contact you regarding your request.

Name: \_\_\_\_\_  
SSN: \_\_\_\_\_  
Home telephone number ( ) \_\_\_\_\_  
Work telephone number ( ) \_\_\_\_\_

ALSO, if you agree with our examination, PLEASE SIGN PAGE 1 OF THE WAIVER, FORM 4089, and return to us.

- \* Interest and applicable penalties will continue to accrue until your balance is paid in full.



### **Where to File Your Request**

It is important that you file your request using the address shown on your lien or levy notice. If you have been working with a specific IRS employee on your case, you should file the request with that employee.

### **How to Complete Form 12153**

1. Enter your full name and address. If the tax liability is owed jointly by a husband and wife, and both wish to request a Collection Due Process Hearing, show both names.
2. Enter a daytime telephone number where we can contact you regarding your request for a hearing.
3. List the type(s) of tax or the number of the tax form(s) for which you are requesting a hearing (e.g. Form 1040, Form 941, Trust Fund Recovery Penalty, etc.).
4. List the taxable periods for the type(s) of tax or the tax form(s) that you listed for item 3 above (e.g., year ending 12-31-98, quarter ending 3-31-98).
5. Show the social security number of the individual(s) and/or the employer identification number of the business(s) that are requesting a hearing.
6. Check the IRS action(s) that you do not agree with (Filed Notice of Federal Tax Lien and/or Notice of Levy/Seizure). You may check both actions if applicable.
7. Provide the specific reason(s) why you do not agree with the filing of the Notice of Federal Tax Lien or the proposed Notice of Levy/Seizure action. One specific issue that you may raise at the hearing is whether income taxes should be abated because you believe that your spouse or former spouse should be responsible for all or a portion of the tax liability from your tax return. You must, however, elect such relief. You can do this by checking the indicated box and attaching Form 8857 to this request for a hearing. If you previously filed Form 8857, please indicate when and with whom you filed the Form.
8. You, or your authorized representative, must sign the Form 12153. If the tax liability is joint and both spouses are requesting a hearing, both spouses, or their authorized representative(s), must sign.
9. It is important that you understand that we are required by statute to suspend the statutory period for collection during a Collection Due Process Hearing.